

Guy instilled his strong work ethic in his family, and friends say nothing made him prouder than his children Michael, Nick, Joanna, and Andy, who is an aide in my office. I have come to know Andy very well in the two years he has worked for me, and he is an accomplished young man with an immense sense of pride and gratitude for his family.

Gus was robbed and murdered as he was leaving his restaurant several days ago. Since then, hundreds of people—friends and family, regulars of the restaurant, or even those who just casually knew Gus Karellas—have visited the restaurant, creating a makeshift memorial of flowers, candles, and cards to the man they came to know and love.

Gus Karellas was a loving husband and dedicated father, a good neighbor and good friend to many. He will be missed by all who loved him. May he rest in peace and may God comfort his family and friends in their grief at his loss.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. TALENT). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CHAMBLISS. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTES TO RETIRING SENATORS

DON NICKLES

Mr. CHAMBLISS. Mr. President, I rise tonight to make a quick comment about a dear friend. The greatest thing about serving in the House of Representatives and the Senate is meeting the colleagues we have the opportunity to serve with on both sides of the aisle. As a Member of the House of Representatives, I had the opportunity to get to know a number of the Members of the Senate, one of whom is retiring at the end of this session.

DON NICKLES was elected to the Senate when he was too young to serve in the Senate. He actually had a few months after his election before he was old enough, but he was old enough before he was sworn in. That was back in 1980. He has now served with great distinction in this body for 24 years. He leaves with a record that not many Senators are able to claim after serving in this Senate for whatever period of time they may be here.

DON NICKLES has been a leader in the Republican Party, but most significantly he has been a leader in the Senate. He is a man who has provided strong leadership on any number of issues, whether they are fiscal issues as chairman of the Budget Committee and a longtime member of the Budget Committee, which is where I first got to know him in our conferences between the House and the Senate, or whether

it is on energy or social issues, DON NICKLES possesses all the assets that America holds dear.

He is a strong family man. He is a hard-working individual. He is a man of faith. He is a man who when he looks you in the eye and tells you something, you can go to the bank with it.

I am going to miss DON NICKLES. I will miss his quick wit. I am going to miss his being able to stand up in the Senate and quickly take on anybody on either side of the aisle with respect to whatever the issue may be or whatever the rule may be that applies to the issue that comes up.

I marveled at his ability to, off the top of his head, take on folks on the other side of the aisle relative to a particular issue and to point out issue by issue and point by point what must be done. That is a unique capability and something that must be studied and learned.

My predecessor, one of the folks who held my seat many years before I got here, was the master of that. That is Richard Russell. DON NICKLES knows the rules just as well as Richard Russell did.

I will miss DON in a number of respects off of this Senate floor. He is a close personal friend. He and his wife Linda are dear friends of Julianne and me. I will have to find somebody else to get money off of on the golf course because I have known DON so long now that I have come to spend the money before I play golf.

He is a terrific guy both in the Senate as well as outside the Senate. He is a man of great integrity. He is the kind of Senator who every citizen of Oklahoma should and has been proud of for his 24 years of service to the Senate.

I went back to his hometown a couple of months ago, his hometown of Ponca City, OK, a very small town in America. DON was a football hero. As in my home State of Georgia and my hometown, football is huge in Ponca City. They still remember DON as a high school fullback and linebacker.

His old coach was there that night to talk about DON and some of the things he did during his high school career. It is those foundations that people all across America build upon to come to the Senate.

The things that were said about DON back then could still be said about him today; that is, what a dedicated person he was, what a hard-working person he was, and what a student of the game he was, just like he has been a student of the Senate.

No one there was surprised at what a great job DON had done as a Member of the Senate and what a success he was, what a success he will be once he leaves. DON had the right kind of foundation and the right kind of instincts and the right kind of family stability, support, and love to make sure he did the right kind of job in the Senate, and he will continue to be successful when he leaves here.

To DON and to Linda, we say thanks for the service to our country. My children and my grandchildren are going to benefit from the service of the Senate of DON NICKLES. That is something for which I will forever be grateful.

Just as importantly, I have been a better Senator than I would have been otherwise because of DON NICKLES. In future years, because of what I have learned from DON NICKLES, I will be a much better Senator.

DON, we appreciate your service to our country. Thank you. God bless you and Linda.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

VICKI COX

Mr. SHELBY. Mr. President, I want to mention a staffer of mine. She is not a Senator but she is very important in my office, Vicki Lee Cox; Vicki Lee, as she was when she came to work with me in 1978 when I was elected to the House of Representatives. Her father was a naval officer in the Naval Academy. She lived around the world. She was born in Pensacola, FL, grew up part of her life in the San Diego area, the San Francisco area, and in Newport, RI. I have worked with her for 26 years, day in and day out. I tried to get her not to retire because these are very important employees. They make your office go. They make us look better than we should, day to day. They make things work in the office.

Vicki, we will miss you in the office. We hope you will not be far off because we might need to bring you back to help us out from time to time as we get in a bind.

We wish you and your husband Dale the very best, but we have a job opening for you if you want to change your mind. God bless you, and we enjoyed the 26 years.

PROTOCOL AMENDING THE EXISTING TAX CONVENTION WITH THE NETHERLANDS

Mr. LUGAR. Mr. President, I thank my Senate colleagues for passing the resolution providing advice and consent to the Protocol amending the existing U.S. Tax Treaty with the Netherlands through the unanimous consent procedure.

In spite of legislative hurdles that arose during the process, this Protocol will be enacted, and will bolster the economic relationship between the United States and a country that is already both a good friend and a critical

trade and investment partner. As the United States considers how to create jobs and maintain economic growth, it is important that we try to eliminate impediments that prevent our companies from fully accessing international markets. In the case of taxes, we should work to ensure that companies pay their fair share while not being unfairly taxed twice on the same revenue. Tax treaties are intended to prevent this double taxation so that companies are not inhibited from doing business overseas.

As the United States moves to keep the economy growing and to increase U.S. employment, international tax policies that promote foreign direct investment in the United States such as this Protocol, are critically important. I have received communications from several corporate employers. The foreign entities indicate that this Protocol will provide them with incentives to "insource" to the United States. The domestic companies indicate that this Protocol will provide overall advantages and benefits. For the benefit of my colleagues, I am attaching to my statement several of these communications.

I thank my colleagues again for agreeing to pass this important measure.

Mr. President, I ask unanimous consent the material I made reference to be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONAL FOREIGN TRADE
COUNCIL, INC.,

Washington, DC, October 22, 2004.

DEAR SENATOR: I am writing to express our strong support for the passage of the Tax Protocol with the Netherlands and to urge you to enact the agreement this year. Further delay in the passage of this agreement will subject U.S. companies to double taxation and adversely affect their global competitiveness. Foreign trade is fundamental to the economic growth of U.S. companies. Tax treaties are a crucial component of the framework that is necessary to allow that growth.

The National Foreign Trade Council, organized in 1914, is an association of some 300 U.S. business enterprises engaged in all aspects of international trade and investment. Our membership covers the full spectrum of industrial, commercial, financial, and service activities, and the NFTC therefore seeks to foster an environment in which U.S. companies can be dynamic and effective competitors in the international business arena. To achieve this goal, American businesses must be able to participate fully in business activities throughout the world. As global competition grows ever more intense, it is vital to the health of U.S. enterprises and to their continuing ability to contribute to the U.S. economy that they are free from excessive foreign taxes or double taxation and impediments to the flow of capital that can serve as barriers to full participation in the international marketplace.

This is why the NFTC has long supported the expansion and strengthening of the U.S. tax treaty network. The Senate has an excellent record in this area; ratifying tax agreements with Japan, Australia, the United Kingdom, Mexico, Sri Lanka, and Barbados during this Congress. The NFTC testified in

support of these agreements and of the Netherlands Protocol.

Senator Richard Lugar, Chairman of the Committee on Foreign Relations, recently sent a Dear Colleague letter encouraging all Senators to support passage of the Dutch Protocol in the post-election session. I hope that the full Senate can act favorably on this agreement in the time that remains in this session and reaffirm the historic opposition of the U.S. to double taxation.

Sincerely,

WILLIAM A. REINSCH,
President.

AIR PRODUCTS AND CHEMICALS, INC.,

Allentown, PA, October 26, 2004.

Re Ratification of the Protocol to the Income
Tax Treaty with the Netherlands.

Hon. RICHARD G. LUGAR,

Chairman, Committee on Foreign Relations,
Washington, DC.

DEAR CHAIRMAN LUGAR: On behalf of Air Products and Chemicals, Inc., I would like to thank you and the Committee for the prompt consideration and attention that you have given to the proposed protocol to the income tax treaty with the Kingdom of the Netherlands. This protocol is very important to Air Products and the United States economy. It is very important to us that the Senate ratify the protocol as soon as possible.

Air Products is a United States company with global headquarters in Allentown, Pennsylvania. It serves customers in technology, energy, healthcare and industrial markets worldwide with a unique portfolio of products, services and solutions, providing atmospheric gases, process and specialty gases, performance materials and chemical intermediates. The company has annual revenues of \$7 billion, operations in over 30 countries, and over 18,000 employees.

Air Products has operated in the Netherlands for over thirty years, and it has substantial operations in the Netherlands. Air Products also owns some of its other European operations through the Netherlands. Air Products generates substantial cash flow from these operations. The current 5 percent withholding tax rate discourages Air Products from repatriating this cash back to the U.S. This is especially true because Air Products is currently in an excess foreign tax credit position. The proposed protocol would remove this barrier to repatriating cash. This would benefit not only Air Products but the U.S. economy as a whole. The protocol would remove this repatriation barrier for all U.S. companies with Dutch holdings, and foreign companies would have a greater incentive to invest in the U.S. The sooner the Senate ratifies the protocol, the sooner these benefits will begin.

Accordingly, we respectfully request that the Senate consider ratification of the proposed protocol as soon as possible.

If you have any questions regarding Air Products' views on the proposed protocol, please contact me or Charles Stinner, our International Tax Director (610-481-2978).

Sincerely,

KENNETH R. PETRINI,
Vice President—Tax.

SUNOCO, INC.,

Philadelphia, PA, October 26, 2004.

Re Ratification of Protocol to United States-
Netherlands Income Tax Treaty.

Hon. RICHARD G. LUGAR,

Chairman, Senate Foreign Relations Committee,
Washington, DC.

DEAR CHAIRMAN LUGAR: On behalf of Sunoco, Inc., I am writing to urge the prompt ratification of the protocol to the Netherlands Income Tax Treaty signed on March 8, 2004. As you are aware, the proposed protocol

makes significant changes to the existing income tax treaty between the United States and the Netherlands. These changes include the elimination of source-country withholding on certain intercompany dividends, modernization of anti-treaty shopping provisions, coordination of the countries' pension rules and the provision of clear rules for investments using partnerships.

The changes negotiated in the protocol are important to the successful business operations of many companies, including Sunoco, and a failure to promptly ratify the protocol will have a detrimental impact on the conduct of business by many multinational corporations. Moreover, in a report dated September 30, 2004, the Joint Committee on Taxation estimated that ratification of the protocol would cause a negligible change in Federal budget receipts during the fiscal period 2005-2014.

Accordingly, for the reasons stated above, Sunoco believes that the protocol to the Netherlands Income Tax Treaty should be promptly ratified, and urges you to support its ratification.

If you or your staff would like to discuss this issue in more detail or if we can provide additional information, please contact the undersigned at (215) 977-6795. Thank you for your attention to this critical issue.

Sincerely,

MICHAEL J. MCGOLDRICK,
Director, Tax Administration.

MARY KAY,

Dallas, TX, October 29, 2004.

Re Dutch tax treaty.

Hon. RICHARD LUGAR,

U.S. Senate,

Hart Senate Office Building, Washington, DC.

DEAR SENATOR LUGAR: With the year fast running out, Mary Kay Inc urges you to ratify the US-Netherlands Tax Treaty. The new protocol has a zero percent withholding rate on dividends, which allows our company to repatriate more money for domestic investment. This increase in funds provides Mary Kay Inc with the funds to expand its US plant, increase research and development, which is accomplished in the United States and hire more US based employees.

Please ask Senator Frist to schedule the treaty as soon as possible, before time runs out.

Sincerely,

MICHAEL LUNCEFORD,
Senior Vice President.

SUN MICROSYSTEMS, INC.,

Washington, DC, November 2, 2004.

Senator RICHARD LUGAR,

Chairman, Senate Foreign Relations Committee,
Hart Senate Office Building, Washington,
DC.

DEAR CHAIRMAN LUGAR: On behalf of Sun Microsystems, Inc., I am writing to express our appreciation of your efforts to seek prompt ratification of the recent Protocol to the U.S.-Netherlands income tax treaty. We urge that these efforts continue so that this important new chapter in America's relationship with the Netherlands can commence before this year terminates.

As reflected in your Dear Colleague letter of October 20, 2004, your recognition of the importance of prompt ratification of the Protocol is most welcome. Compared to other U.S. tax treaties with major trading partners, the current treaty between the United States and the Netherlands is antiquated and contains obstacles to the free flow of trade between the two countries that will be eliminated by the new Protocol. There will be direct benefits to our company and to our employees.

Timely and quick action in bringing needed reform this year to the U.S.-Netherlands

treaty will help keep the American economy growing.

Sincerely,

CHRISTOPHER G. HANKIN,
Senior Director of Federal Affairs.

ABN AMRO ASSET MANAGEMENT,
The Netherlands, October 29, 2004.

Chairman LUGAR,
U.S. Senate,
Washington, DC.

DEAR CHAIRMAN LUGAR: On behalf of ABN AMRO Bank N.V., business unit Asset Management, I am writing to join the many other members of the U.S. business community that have expressed their appreciation of your efforts to seek prompt ratification of the recent Protocol to the income tax treaty between the United States and the Netherlands.

We urge that these efforts continue so that this important new chapter in America's relationship with the Netherlands can commence this year.

As reflected in your letter of October 20, 2004, your recognition of the importance of prompt ratification of the Protocol is most welcome. Compared to other U.S. tax treaties with major trading partners, the current treaty between the United States and the Netherlands is antiquated and contains obstacles to the free flow of trade between the two countries that will be eliminated by the new Protocol.

Treaty advancements reflected in the new Protocol not only eliminate barriers to trade and investment between the two countries, but also resolve uncertainties that target abusive use of the treaty, and promote improved cooperation in international enforcement. Prompt ratification of the new Protocol will promote closer ties with one of our longstanding major trading partners, encourage growth of the US economy and jobs, and support better international tax enforcement efforts.

Quick action in bringing this needed reform to the U.S./Dutch trade relationship will help keep the American economy growing.

Sincerely,

MAURICE BULJNSTERS,
VP Global Head of
Tax.

RICHARD DE HAAS,
Senior Tax Officer.

CHEVRONTExaco,

Washington, DC, November 2, 2004.

Re Netherlands Protocol.

Hon. RICHARD G. LUGAR,
Chairman, Committee on Foreign Relations,
Dirksen Senate Office Building, Wash-
ington, DC.

DEAR SENATOR LUGAR: I am writing to express ChevronTexaco Corporation's strong support for early ratification of the Protocol amending the existing tax treaty with the Netherlands. A strong tax treaty network is critical for U.S. businesses, such as ChevronTexaco, to compete in the global marketplace. We appreciate your efforts on tax treaties generally, and on this Protocol in particular.

We urge the Senate to ratify the Protocol before year end so that it may enter into force on January 1, 2005. Delaying ratification until 2005 would delay entry into force until January 1, 2006 and would delay the important reductions to withholding tax rates.

I sincerely hope that the Senate will ratify the Protocol in 2005 and we appreciate your efforts to ensure this.

Sincerely,

LISA B. BARRY,
V.P. and General Manager,
Government Affairs.

TIMEWARNER,

Washington, DC, November 1, 2004.

Hon. RICHARD LUGAR,
Chairman, Committee on Foreign Relations,
U.S. Senate, Dirksen Senate Office Build-
ing, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your continuing leadership in securing quick ratification of several important bilateral tax treaties this year. Bilateral tax treaties are an important means for reducing double taxation and eliminating foreign withholding taxes on our royalties, interest, and dividends.

In this regard, I want to underscore the importance of ratifying the U.S.-Netherlands bilateral tax treaty before Congress adjourns for the year. This treaty, like the previous ones the Senate has ratified, provides important tax savings to Time Warner that we will be able to reinvest and use to expand our business in the United States.

The Netherlands has already ratified this agreement. I offer our company's full support in helping to urge your Senate colleagues to agree to quick ratification of this treaty this year.

Sincerely,

ROBERT M. KIMMITT.

ALLIANT ENERGY CORPORATION,
Madison, WI, November 12, 2004.

Senator RICHARD LUGAR,
Chairman, Senate Foreign Relations Committee,
Dirksen Senate Office Building, Wash-
ington, DC.

DEAR CHAIRMAN LUGAR: Thank you for your continuing leadership in securing quick ratification of several important bilateral tax treaties this year. Bilateral tax treaties are an important means for reducing double taxation and eliminating foreign withholding taxes on our royalties, interest, and dividends.

In this regard, I write to underscore the importance of ratifying the U.S.-Netherlands bilateral tax treaty before Congress adjourns for the year. This treaty, like the previous ones the Senate has ratified, provides important tax savings to Alliant Energy that we will be able to reinvest and use to expand our business in the United States.

The Netherlands has already ratified this agreement. I offer Alliant Energy's full support in helping to urge your Senate colleagues to agree to quick ratification of this treaty this year.

Sincerely,

ERROLL B. DAVIS, Jr.,
Chairman & CEO.

AMERICAN CHEMISTRY COUNCIL,
Arlington, VA, November 15, 2004.

Re Ratification of Dutch Tax Treaty.

Hon. RICHARD G. LUGAR,
Senate Office Building,
Washington, DC.

DEAR SENATOR LUGAR: The American Chemistry Council urges ratification of the bilateral tax protocol between the United States and the Netherlands.

The ACC represents the leading companies engaged in the business of chemistry. Council members apply the science of chemistry to make innovative products and services that make people's lives better, healthier and safer. The business of chemistry is a \$460 billion enterprise and a key element of the nation's economy. It is the nation's largest exporter, accounting for ten cents out of every dollar in U.S. exports.

We commend your efforts as Chairman of the Foreign Relations Committee that resulted in negotiation of the tax protocol with the Netherlands. The treaty would enhance the ability of U.S. companies to compete in the important Dutch market, and if

history is a guide, the treaty would create U.S. jobs within the chemical industry and among our suppliers and customers, and it would encourage foreign companies to establish or expand manufacturing facilities in the U.S. Moreover, the information-sharing provisions of the treaty would aid the IRS and Treasury Department in identifying international tax-avoidance schemes that reduce federal tax receipts and impugn the motives of U.S. companies whose global operations represent a major element of an expanding U.S. economy.

Accordingly, we urge ratification of the Dutch Treaty during the time remaining in the 108th Congress. Timely ratification would result in early realization of treaty benefits, and aid companies in capital planning and business expansion.

Please call if we can answer questions or provide additional information.

Sincerely,

CHARLES W. VAN VLACK,
Executive Vice President.

DUPONT FINANCE,
Wilmington, DE, October 29, 2004.

Hon. RICHARD G. LUGAR,
Chairman, Committee on Foreign Relations,
U.S. Senate, Washington, DC.
Hon. JOSEPH R. BIDEN, Jr.,
Ranking Member, Committee on Foreign Relations,
U.S. Senate, Washington, DC.

DEAR SENATORS: On March 8, 2004, the United States and the Netherlands signed the Protocol Amending the Convention Between the United States of America and the Kingdom of the Netherlands for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income. We at DuPont would urge the Senate to ratify this Protocol before Congress adjourns.

As you learned during testimony on September 24th, the Protocol brings the existing Convention, concluded in 1992, into closer conformity with current U.S. tax treaty policy. Of particular interest to DuPont, considering the Company's manufacturing sites in the Netherlands, is the elimination of withholding taxes on certain types of cross-border direct dividends. This element of the Protocol creates a powerful tool for repatriating earnings the Company would then be able to devote to our priorities in the United States. In addition, the Protocol's reciprocal treatment of pension funds for international employment assignees allows DuPont employees to gain valuable experience through U.S.-Netherlands exchanges without jeopardizing the status of their retirement benefits.

DuPont also appreciates the benefits the new Protocol would offer the U.S. government. Among them, the improved communications measures between U.S. and Dutch tax authorities coupled with the assistance in the collection of taxes; and the modernized Limitation on Benefits article, designed to deny treaty-shoppers the benefits of the Convention.

The enhancement of economic ties between the United States and the Kingdom of the Netherlands in the form of the pending Protocol will promote the growth of trade and investment between the two countries to the benefit of both economies. As such, it is DuPont's hope that deliberations on the Protocol will be completed this year.

Sincerely,

MARSHALL G. MCCLURE.

DEBT LIMIT INCREASE

Mr. DODD. Mr. President, I speak about the vote that took place yesterday to raise the statutory limit of our